

ST. LUKE'S COLLEGE OF MEDICINE-WILLIAM H. QUASHA MEMORIAL FOUNDATION, DR. BRIGIDO L. CARANDANG, AND DR. ALEJANDRO P. ORTIGAS PETITIONERS, VS. SPOUSES MANUEL AND ESMERALDA PEREZ ...*G.R. No. 222740. September 28, 2016*

Ponente: PEREZ, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-222740/>**PEREZ, J.:**

Assailed in the present petition for review on certiorari is the Decision[1] dated September 30, 2015 and the Resolution[2] dated February 2, 2016 of the Court of Appeals (CA) in CA-G.R. CV No. 103529, which rulings reversed the Decision dated July 7, 2014[3] of the Regional Trial Court (RTC), Branch 84, Malolos City, Bulacan in Civil Case No. 145-M-2012 and remanded the case to the trial court for reception of evidence on the amount of damages to be awarded.

As a backgrounder, in 2006, the Commission on Higher Education issued Memorandum Order No. 10, series of 2006 which required medical students to undergo rotating clinical clerkship in their fourth year. As such, petitioner St. Luke's College of Medicine (St. Luke's) entered into a Memorandum of Intent with the Municipality of Cabiao, Nueva Ecija for the construction of a community clinic. The said facility consisted of a six-bed medical facility in the ground floor, and a residential space for the medical staff in the second floor.

The undisputed facts, as amply summarized by the CA, are as follows:

In February 2010, St. Luke's sent four (4) of its 4th year medical students to the clinic, namely: plaintiffs-appellants Spouses Perez's daughter Jessa, plaintiffs-appellants Spouses Quintos' daughter Cecille, Jerillie Ann Murillo (Murillo) and Miguel Rafael Ramos (Ramos). They were tasked to complete a four-week clerkship rotation at the clinic and like the previous batches, they were housed in the second floor of the clinic.

According to Ramos, he and his groupmates reported for duty at the Cabiao clinic at approximately 10 o'clock in the morning of February 8, 2010. When their shift ended at 5 o'clock that afternoon, the group went for a jog and returned to the clinic at around 7 o'clock in the evening. They again went out at 9 o'clock in the evening to buy beverages, cooking oil and other items needed for their breakfast the next day and went to sleep sometime after midnight. Ramos admitted that one of the beverages they bought was an alcoholic beverage called The Bar, which consisted of either vodka or gin. He also admitted that only he and Cecille drank the alcoholic beverage which they mixed with the soda and that they did not consume the whole bottle.

Ramos was awakened sometime between 3 o'clock and 3:30 in the morning of February 9, 2010 when he heard Murillo shouting from the other side of the room that there was a fire. Ramos immediately ran to the door which led to the living room and when he opened the same, he saw thick smoke coming from the left portion of the living room where there was a glow. He also felt extreme heat, prompting him to run to the bathroom to get a pail of water with which he tried to extinguish the fire. The girls, who had followed him to the bathroom, stayed behind. When Ramos' attempt to put out the fire proved to be futile, he went back to the bathroom and poured water on the girls in an attempt to alleviate the extreme heat coming from the fire.

According to Ramos, the smoke started to seep through the bathroom door and the group had started shouting for help. After a considerable amount of time, he heard somebody outside instructing him to get back from the window. When he did so, somebody broke the window and started to dismantle the iron grills barring the same. By that time, Ramos had started losing consciousness due to smoke inhalation and only remembered that he was being pulled out of the building through the window.

Unfortunately, the fire resulted in the deaths of the female medical students, including the daughters of plaintiffs-appellants due to smoke inhalation resulting" to asphyxia.

As a result of the deaths, defendant-appellee St. Luke's compensated the parents of the three deceased students in the amount of PhP300,000.00 each from insurance proceeds. (Citations omitted)

The Bureau of Fire Protection (BFP) conducted an investigation on the incident, and in a Certification dated April 18, 2011, it certified that the fire was "purely accidental in nature due to unattended cooking," to wit:[4]

THIS IS TO CERTIFY THAT as appearing on The Blotter Book No. 0304-0287, pages 17 and 18, the two storey Institutional building owned by Local Government Unit (LGU) Cabiao, Nueva Ecija was partially razed by fire including all the contents of the second floor that transpired on or about 090245H February 2010. The estimated cost of damage is two Million pesos (P2,000,000.00) more or less.

Result of investigation conducted by the Investigator on Case of this station, Bureau of Fire Protection, Cabiao, Nueva Ecija, disclosed that the fire was purely ACCIDENTAL IN NATURE due to UNATTENDED COOKING that occurred at the kitchen of said floor and no evidence were gathered to show that the fire was intentionally, deliberately or maliciously set.

Respondents had their doubts. Thus:[5]

xxx. xxx, plaintiffs-appellants, requested for a meeting with defendant-appellee Dr. Alejandro Ortigas, Associate Dean for Faculty and Student Affairs of St. Luke's. During the meeting, plaintiffs-appellants were surprised by the presence of defendants-appellees Dr. Brigido Carandang, St. Luke's Dean of Medicine, the Municipal Health Officer of Cabiao Dr. De Leon, as well as Municipal Fire Marshall of Cabiao Baby Boy Esquivel, a Cabiao police officer and its barangay captain.

The officials informed plaintiffs-appellants that the fire was caused by the gas burner left open by the victims which greatly disturbed plaintiffs-appellants. In a subsequent meeting, they were informed that there was also evidence that the victims were drinking alcoholic beverages on the night of the fire which plaintiffs-appellants refused to accept.

Convinced that there was a cover-up, plaintiffs-appellants continued to question individual defendants-appellees. Exasperated, defendant-appellee Dr. Carandang allegedly asked "Ano pa bang gusto ninyo sa amin? Nakiramay na kami."

Offended and still unconvinced, respondent Spouses Manuel and Esmeralda Perez, the parents of Jessa, and respondent Spouses Eric and Jurisita Quintos, the parents of Cecille, sought the help of the National Bureau of Investigation (NBI). In its Resolution dated August 3, 2010, the existence of which is expressly admitted by petitioners, having quoted the contents[6] and having attached a copy thereof to the present petition,[7] the NBI declared that the construction of the Cabiao Community Clinic building was in violation of the provisions of Republic Act No. 9514 (R.A. No. 9514) or the Revised Fire Code of the Philippines, that the cause of the fire was due to faulty electrical wiring, and that St. Luke's negligence is criminal in nature. The pertinent parts of the said Resolution reads:[8]

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2. The building structure of Cabiao Community Center

The Cabiao Community Clinic/Center is a two-storey concrete building. The ground floor is used as the municipality's lie-in clinic or hospital during day time. The students and in particular the victims use this facility together with the medical complement of the municipality for their community medical service.

On the 2nd floor was the office of Dr. LEON DE LEON, Cabiao Municipal Health Officer, adjacent was a storage room for office and medical supplies and documents, the bedrooms for the medical students rendering community service, a dining area, a kitchen, and the living-room. The second floor, it may be said, is virtually dedicated for the board and lodging of the students while on mission. These rooms and areas are separated from each other by wood panels made of plywood including the wall in which the gas stove was located. All the windows at the second floor are also covered by permanent iron grills. There are no fire exits, fire alarms, fire extinguishers, sprinklers, emergency lights.

The community center is a virtual fire/death trap. During night time, medical students were left alone inside the 2nd floor with the main gate locked from the outside and with no apparent signs of fire alarms, fire sprinklers, fire exit plan, emergency lights, provisions of confining the fire to its source, among others, for the occupants fire safety and protection system. They were on their own at the second floor, without anyone (maid or security guard) to attend to their needs while the ground floors and the adjoining building were uninhabited.

3. The electrical system of Cabiao Community Clinic;

Engr. DAVID R. AOANAN, Chief Electrical Section of the (sic) and member of the NBI investigating team observed that the facility has a main circuit breaker and the two distribution panels, located at the ground floor, just above the comfort room of the 2nd floor. The main breaker has a 500 amp capacity while the two distribution panels serving the 1st floor and the 2nd floor has 200 amp capacity, each, as against the main electrical service wire with the size 14 mm.

The ratio between the capacity of the circuit breaker and the electrical service wire is out of proportion and became electrically insensitive to overload and wire short circuits; thereby negating the very purpose the circuit breaker was designed.

The size of service wire is Small, suitable only for lighting purposes and not to supply two buildings, dedicated for public use. Six years of use in overload capacity would have worn out the wire and its strength and vitality, hence it will readily overheat, notwithstanding at the time short circuits, only few bulbs were in use.

The electrical meter used is appropriate only to residential units and not to service the two buildings intended for public which are [equipped] with modern medical equipment; the old NFA and the [Cabiao] Community Clinic.

Both live service wire and secondary electrical wires were bundled together inside the same tube. At the 2nd floor, visible signs of cut wires were found inside a tube, including the service wire as it pass through going down to the main panel board and several cut wires of the secondary breaker going to the second floor for power distribution.

The main and secondary panel boards were wrongly situated at the ground floor, above which is the location of a comfort room, where water could easily slip to the panel boards.

The installation of the secondary panel board at the ground floor distributing power to the 2nd floor defeats its purpose, considering that if electrical trouble happens at the 2nd floor one has to go to the 1st floor to shut off the power.

4. The construction of the Cabiao Community Center building was in violation of the provision of Republic Act No. 9514 (Revised Fire Code of the Philippines)

Owners, occupants or administrator of buildings or structures are required to incorporate and provide fire safety construction, protective and warning systems. Investigation shows that a) there were no fire protection

features such as sprinkler systems, hose boxes, hose reels or standpipe systems and other firefighting equipment; fire alarm systems; b) no fire exit, fire exit plan for each floor of the building showing the routes from each other [sic] room to appropriate exits, displayed prominently on the door of such room; c) no properly marked and lighted exits with provision for emergency light to adequately illuminate exit ways in case of power failure, and d) no provisions for confining the fire at its source such as fire resistive floors and walls.

5. The Cabiao Bureau of Fire Protection failed to perform its mandate pursuant to RA 9514.

Under the Fire Code, the Bureau of Fire Protection is required to conduct fire safety inspections as pre-requisite to the grant of licenses and permits for the use and occupancy of buildings, structures, facilities and their premises including the installation of fire protections and fire safety equipment and electrical systems in any building structure or facility; and the storage of explosives or combustible, flammable, toxic and other hazardous materials.

The BFP is likewise responsible for designating fire inspectors who shall inspect every building at least once a year, and every time the owner, administrator or occupant [renews] its business permit or permit to occupy; to issue a business permit or permit to operate only after securing a Fire Safety Inspection Certification (FSIC); require the building owner occupant to submit plans and specifications and other pertinent documents of building/structure in order to ensure compliance of applicable codes and standards and issue a written notice to the owner and/or contractor to stop work on portion of any work due to absence or in violation of approved plans and specifications; to inspect at reasonable time, any building, structure or premises and order the owner/occupant to remove hazardous materials and/or stop operation if the standards are not met; to declare and summarily abate hazardous conditions of the buildings or structures and/or declare the same as fire hazards.

It is worthy to note that despite the long period of time from the occurrence of the fire until the termination of this investigation, the Cabiao BFP headed by FO3 ESQUIVEL has yet to submit its report and findings. However, inasmuch as FO3 ESQUIVEL has bungled the investigation of the fire by removing items from the scene of the fire and his failure to explain the disappearance of other electrical debris, the opening and enlargement of the iron grill where the sole survivor passed, the back door broken, and the non-recording of the investigations, FO3 Esquivel's action and behaviors are highly suspect of a massive cover up of the real cause of the fire.

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7. St. Luke's negligence is criminal in nature.

St. Luke's College of Medicine - William H. Quasha Memorial, Inc., being the owner and operator of the Cabiao Community Clinic is not without liability for the fate of the fire victims. As a learning institution, which sends out its students to rural areas to comply with its curriculum requirement, St. Luke's has the duty and responsibility to see to it that the premises to where it sends its students are safe. It is significant to stress that the Cabiao Community Clinic was established by the Municipality of Cabiao and the St. Luke's College of Medicine in line with the latter's expansion of its Community Medicine undertaking to the rural areas in order to train its students in health promotion and disease prevention as well as to provide medical service to deserving population and to undertake clinical research on various health practices.

The victims were sent there as part of their community medicine module in the curriculum and their assignments were determined by the officials of the College of Medicine.

8. The origin of fire.

The Cabiao BFP has manifested its prejudice and bias and thus, cannot be an independent, reliable and credible investigator of this fire incident. They could not even entertain any theory, other than the gas burner, because

in doing so would place themselves in jeopardy. They even resorted to tampering of premises by removing all electrical wire debris, thinking that in its absence, fire caused by short circuits cannot be proven.

It is highly probable that the origin of fire is electrical based on the Electrical Report No. 04-10-001 submitted by Engr. DAVID R. AOANAN, Chief, Electrical Section, NBI because of the following.

- Presence of thick black smoke that indicates heat caused by short-circuit
- Explosion or tripping off of the transformer, then a black out - showing therefore that the circuit breaker did not trip off
- Inspection of the main circuit breaker and the secondary breakers show that these did not trip off
- Presence of short circuited wires located at the 2nd floor, where bundle wires were found
- Presence of numerous spliced wires or jumped wires in three different convenient outlets
- Mainboard panel is mismatched with the service wire
- Other defective wirings

It is a well done theory that the cause of the fire was due to faulty electrical wiring with two reasons to support it, first is the physical manifestation as mentioned by Engr. DAVE AOANAN who conducted evaluation/investigation on what is left on the building of the Cabiao Community Clinic; second is the personal experience of MIGUEL RAFAEL RAMOS y DAVID the lone survivor of the incident [who] narrated what he perceived during last hour before he was rescued. MIGUEL[s] narration contradict the theories laid down by Fire Marshall BABY BOY ESQUIVEL that the fire was by the negligence of the victims [whom] he suspect[s] to have left [burning a] gas stove. MIGUEL'S narration specifically pointed out that the fire was primarily coming from the living room and not at the kitchen which is directly in front of their door way. (Emphasis supplied.)

Respondents then filed a Complaint for damages against petitioners St. Luke's College of Medicine-William H. Quasha Memorial Foundation, Dean of Medicine Brigido L. Carandang, and Associate Dean for Faculty and Student Affairs Alejandro P. Ortigas, claiming that their negligence caused the deaths of respondents' daughters. Respondents maintained that, as a learning institution which sends out its medical students to rural areas to comply with its curriculum requirement, St. Luke's has the contractual duty and legal responsibility to see to it that the premises to where it sends its students are safe and that, in the case at bar, St. Luke's refused to recognize its obligations/liabilities.[9] Respondents thus prayed as follows:[10]

WHEREFORE, premises considered, it is respectfully prayed that judgment be rendered in favor of plaintiffs -

1. Finding the defendants negligent and liable under their contractual and legal obligations to Jessa and Cecille;
2. Directing defendants to pay plaintiffs, jointly and severally, actual, moral and exemplary damages; and
3. Ordering defendants to pay the cost of suits and attorney's fees.

Plaintiffs further pray for such other reliefs as the Honorable Court may deem just and equitable under the premises.

The RTC dismissed the complaint for lack of merit.[11] It held that the Cabiao Community Clinic was not a fire trap as there were two (2) fire exits, and that respondents failed to present any report or finding by a competent authority that the said Clinic was not a safe and secure place for the conduct of St. Luke's clerkship program. The RTC did not take into consideration the NBI Report as it was allegedly not presented.[12]

The RTC further held that the Clinic is owned by the Municipality of Cabiao, and that the latter and/or its

responsible officials should have been impleaded as indispensable parties.[13]

The RTC summarized its findings in this manner:[14]

Albeit the Court is saddened by what happened with the untimely death of Perez and Quintos who are both very bright with promising future in the field of medicine, it cannot however close its eyes on the evidence submitted before it by placing the blame on the cause of their death[s] to the defendants just to put the fault on anybody in order to appease their grieving love[d] ones. For in the mind of the Court, the omission of the defendants to secure a copy of the fire safety license of the Clinic or verify if it has one prior to its construction before allowing their senior medical students to occupy and reside therein is not per se a negligent act. Neither is the failure of the defendants to orient their senior medical students, who obviously are of legal ages already such as the deceased, on how to take the necessary measures for their safety and security before retiring to sleep in the night considered negligent. Likewise, the failure of the dialogue between the parties is not a legitimate ground to declare the defendants negligent. Put differently, the Court is not persuaded that there is basis or justification to adjudge the defendants negligent for the accidental death of Perez and Quintos.

Upon appeal, the CA reversed the RTC Decision and remanded the case to the RTC for reception of evidence on the amount of damages to be awarded.[15] Addressing the preliminary issues, the CA held that the Municipality of Cabiao was not an indispensable party as the Complaint was one for damages based on the allegations in the enrollment contract. It explained that:[16]

While there was indeed an allegation of St. Luke's ownership of the clinic, bulk of the arguments in the complaint were based on St. Luke's duty to ensure its students' safety based on its obligation as a school. Not being contractually obligated to keep plaintiffs-appellants' children safe from any risk as a result of school-sanctioned activities, the Municipality of Cabiao cannot be considered an indispensable party to the action as it was not a participant in the contract of enrollment.

Moreover, the CA held that although schools cannot be insurers of its students against all risks, in the case at bar, the safety of the victims was within the reach of petitioners and the hazard of a fire was not unforeseeable.[17] Also, while the fire was beyond the control of petitioners, their decision to house their students in a place where there are no means of escape in case of such an emergency shows a blatant disregard for the students' welfare.[18]

The CA elucidated as follows:[19]

The testimonies of Dr. Ortigas, Dr. Carandang and Dr. Macabulos all show a lack of effort on their part to thoroughly inspect the conditions of the building in relation to the safety of their enrolled medical student-clerks.

According to Dr. Ortigas and Dr. Macabulos,[20] they considered the doors leading out from the pantry and the bedrooms as fire exits. However, as doctors who presumably have a wider degree of foresight than most, they failed to consider that a fire might break out in areas which would block these doors that are merely ordinary exits. Further, Dr. Ortigas himself testified that permits are not part of their consideration for safety and that they do not specifically look for the same [xxx.]

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Dr. Ortigas admitted that, as a doctor, he was not concerned with the permits issued regarding the construction and safety of the building. However, at the time he conducted the inspections of the clinic, he was also the Associate Dean of St. Luke's College of Medicine with the duty to ensure that the building was safe for the security of the enrolled students of St. Luke's College of Medicine who would be assigned to the clinic during their clerkship and he admittedly did not consider the same.

As Associate Dean for Student Affairs, it would be reasonable to expect Dr. Ortigas to show concern for the

safety and security of the students enrolled in the institution thus, ensure that the premises they were to reside in would be properly equipped in case of fires and other calamities. He himself stated that his position as such put him "in charge of student and student affairs, xxx and in general, the non-academic matters involving students and the faculty." Consequently, it is safe to conclude that his task included the safety and welfare of the students enrolled at St. Luke's College of Medicine, one which he miserably failed to discharge.

Defendants-appellees also made a big deal out of the procedure of asking feedback from students which led to the assumption that the clinic was safe and habitable. However, it must be remembered that the students that gave the feedback were more concerned with passing their course and presumably trusted that the school would not send them to a location which it has independently determined to be unsafe.

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In relation, defendants-appellees defend their judgment to send plaintiffs-appellants' daughters to the community clinic by contending that there has been no untoward incident since the program began in 2004. xxx.

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The same argument also runs contrary to defendants-appellees' acceptance of the construction of iron grills on the second floor windows of the clinic. According to Dr. Ortigas, the same were constructed in order to prevent people from using the same to enter the building and not designed to prevent egress therefrom. Dr. Ortigas was specifically questioned if there were prior incidents of intrusion into the clinic to which he replied in the negative. If defendants-appellees' logic of "no untoward incident has happened" is to be applied then, the presence of the grills was unnecessary in the same way that they found the inspection of fire safety permits to be unnecessary. It baffles the Court, therefore, that defendants-appellees would accept the precaution against an admittedly unlikely intrusion but ignore any safety measures against a fire which was a great possibility given that the clinic had flammable equipment such as a gas burner for cooking. (Citations omitted)

Hence, the present petition for review on certiorari alleging that the CA committed reversible error when it: (a) held that the Municipality of Cabiao was not an indispensable party,[21] (b) disregarded the findings of the BFP that the fire was purely accidental and caused by unattended cooking,[22] and (c) ruled that petitioners were negligent.[23]

We deny the petition.

A perusal of the Complaint readily shows that respondents base their cause of action on petitioners' breach of the contractual obligation, as an educational institution, of ensuring that their students, in the performance of a required school activity, would be safe and secure. The Municipality of Cabiao, not being a party to said enrollment contract, is not an indispensable party to the case.

An indispensable party is defined by the Rules of Court as a party-in-interest without whom no final determination can be had of an action.[24] In the present case, respondents premise petitioners' liability on their contractual obligation to their students and, certainly, complete relief and a final judgment can be arrived at by weighing the claims and defenses of petitioners and respondents, without need of evaluating the claims and defenses of the Municipality of Cabiao. If at all, the Municipality of Cabiao is a necessary party[25] whose non-inclusion in the case at bar shall not prevent the court from proceeding with the action.

Indeed, the present case is one between a school and its students, with their relationship being based on the enrollment contracts. In the illuminating case of *PSBA, et al. v. CA, et al.*,[26] the Court had the opportunity to lay down the principle that:

When an academic institution accepts students for enrollment, there is established a contract between them,

resulting in bilateral obligations which both parties are bound to comply with. For its part, the school undertakes to provide the student with an education that would presumably suffice to equip him with the necessary tools and skills to pursue higher education or a profession. On the other hand, the student covenants to abide by the school's academic requirements and observe its rules and regulations.

Institutions of learning must also meet the implicit or "built-in" obligation of providing their students with an atmosphere that promotes or assists in attaining its primary undertaking of imparting knowledge. Certainly, no student can absorb the intricacies of physics or higher mathematics or explore the realm of the arts and other sciences when bullets are flying or grenades exploding in the air or where there looms around the school premises a constant threat to life and limb. Necessarily, the school must ensure that adequate steps are taken to maintain peace and order within the campus premises and to prevent the breakdown thereof.

Indubitably, institutions of learning have the "built-in" obligation of providing a conducive atmosphere for learning, an atmosphere where there are no constant threats to life and limb, and one where peace and order are maintained.

In the case at bar, the Cabiao Community Clinic is to be considered as part of the campus premises of St. Luke's. In the course description of the clerkship program in preventive and community medicine, it is stated that the Cabiao Community Clinic serves as the base operation of the clerkship program.[27] As such, petitioner had the same obligation to their students, even though they were stationed in the Cabiao Community Clinic, and it was incumbent upon petitioners to ensure that said Clinic was conducive for learning, that it had no constant threats to life and limb, and that peace and order was maintained thereat. After all, although away from the main campus of St. Luke's, the students were still under the same protective and supervisory custody of petitioners as the ones detailed in the main campus.

In the performance of its contractual and inherent obligations, the Court is mindful of the attendant difficulties on the part of institutions of learning, and the Court recognizes that the latter cannot be an insurer of its students against all risks. Thus, as also laid out in the PSBA case, "the school may still avoid liability by proving that the breach of its contractual obligation to the students was not due to its negligence, here statutorily defined to be the 'omission of that degree of diligence which is required by the nature of the obligation and corresponding to the circumstances of persons, time and place.'"[28]

Our next query, then, is, in relation to the fire incident, did petitioners commit a breach of contract through negligence?

A review of the records compels the Court to answer in the affirmative.

In *Mendoza, et al. v. Sps. Gomez*,[29] we defined negligence as "the failure to observe for the protection of the interests of another person, that degree of care, precaution and vigilance which the circumstances justly demand, whereby such other person suffers injury."

In *Gaid v. People*,[30] we enumerated the elements of simple negligence as follows: (1) that there is lack of precaution on the part of the offender, and (2) that the damage impending to be caused is not immediate or the danger is not clearly manifest. We explained that:

The standard test in determining whether a person is negligent in doing an act whereby injury or damage results to the person or property of another is this: could a prudent man, in the position of the person to whom negligence is attributed, foresee harm to the person injured as a reasonable consequence of the course actually pursued? If so, the law imposes a duty on the actor to refrain from that course or to take precautions to guard against its mischievous results, and the failure to do so constitutes negligence. Reasonable foresight of harm, followed by the ignoring of the admonition born of this provision, is always necessary before negligence can

be held to exist.[31]

In the case at bar, it is well to remember that the victims were in the Cabiao Community Clinic because it was a requirement of petitioners. The students were complying with an obligation under the enrollment contract — they were rendering medical services in a community center as required by petitioners. It was thus incumbent upon petitioners to comply with their own obligations under the enrollment contract - to ensure that the community center where they would designate their students is safe and secure, among others.

Petitioners failed to take the necessary precautions to guard their students against foreseeable harm. As correctly found by the CA, petitioners were remiss in inspecting the premises of the Cabiao Community Clinic and in ensuring that the necessary permits were in order. These precautions could have minimized the risk to the safety of the victims. Indeed, the CA had basis in making the following pronouncement:[32]

In the instant case, as previously emphasized, defendants-appellees were aware that its medical students were residing at the second floor of the clinic. At the very least, during inspection, they should have thoroughly inspected the building's physical appearance and the documents pertinent to the premises to make sure that the same minimized the risk to the safety of the students. There is no record that any inquiry on the condition of the premises was even made by defendants-appellees prior to the implementation of the program. In addition to such failure, defendants-appellees would have this Court believe that their participation in the clinic was limited to providing the same with medical personnel without considering that such personnel also included its students which St. Luke's was obliged to protect from unnecessary danger.

The petitioners were obviously negligent in detailing their students to a virtual fire trap. As found by the NBI, the Clinic was unsafe and was constructed in violation of numerous provisions of the Revised Fire Code of the Philippines. It had no emergency facilities, no fire exits, and had no permits or clearances from the appropriate government offices.

Petitioners additionally aver that the Clinic was built under the direction, supervision, management and control of the Municipality of Cabiao,[33] and that it ensured that there was an agreement for the Municipality of Cabiao to provide 24-hour security to the Clinic.[34]

Petitioners, however, cannot escape liability based on these arguments. As held in *Saludaga v. FEU, et al.*, [35] a learning institution should not be allowed to completely relinquish or abdicate matters of safety and security to a third party as to do so would result to contracting away its inherent obligation of ensuring a safe learning environment for its students.

In *Saludaga*, the Court chastised therein respondent Far Eastern University (FEU) for its total reliance on a security agency as to the qualifications of its security guards, viz:[36]

Respondents also failed to show that they undertook steps to ascertain and confirm that the security guards assigned to them actually possess the qualifications required in the Security Service Agreement. It was not proven that they examined the clearances, psychiatric test results, 201 files, and other vital documents enumerated in its contract with Galaxy. Total reliance on the security agency about these matters or failure to check the papers stating the qualifications of the guards is negligence on the part of respondents. A learning institution should not be allowed to completely relinquish or abdicate security matters in its premises to the security agency it hired. To do so would result to contracting away its inherent obligation to ensure a safe learning environment for its students.

Similarly, we cannot turn a blind eye on petitioners' total reliance on the Municipality of Cabiao in ensuring the safety and security of their students. The enrollment contract is between petitioners and the victims, and petitioners cannot abdicate on their contractual obligation to provide their students a safe learning environment,

nor can it pass or contract away such obligation to a third party.

Moreover, as to the stipulation of 24-hour security in the Clinic, petitioners failed to present evidence that this stipulation was actually enforced or that they took measures to ensure that it was enforced. This, once more, shows petitioners' propensity of relying on third parties in carrying out its obligations to its students.

It is settled that in culpa contractual, the mere proof of the existence of the contract and the failure, of its compliance justify, prima facie, a corresponding right of relief.[37] In *Gilat Satellite Networks, Ltd. v. UCPB General Insurance Co., Inc.*,[38] the Court expounded:

xxx. The law, recognizing the obligatory force of contracts, will not permit a party to be set free from liability for any kind of misperformance of the contractual undertaking or a contravention of the tenor thereof. A breach upon the contract confers upon the injured party a valid cause for recovering that which may have been lost or suffered. The remedy serves to preserve the interests of the promisee that may include his "expectation interest," which is his interest in having the benefit of his bargain by being put in as good a position as he would have been in had the contract been performed, or his "reliance interest," which is his interest in being reimbursed for loss caused by reliance on the contract by being put in as good a position as he would have been in had the contract not been made; or his "restitution interest," which is his interest in having restored to him any benefit that he has conferred on the other party. Indeed, agreements can accomplish little, either for their makers or for society, unless they are made the basis for action. The effect of every infraction is to create a new duty, that is, to make RECOMPENSE to the one who has been injured by the failure of another to observe his contractual obligation unless he can show extenuating circumstances, like proof of his exercise of due diligence x x x or of the attendance of fortuitous event, to excuse him from his ensuing liability. xxx. (Emphasis omitted)

In the case at bar, it was amply shown that petitioners and the victims were bound by the enrollment contracts, and that petitioners were negligent in complying with their obligation under the said contracts to ensure the safety and security of their students. For this contractual breach, petitioners should be held liable.

WHEREFORE, in view of the foregoing, the Court resolves to DENY the petition for review on certiorari and AFFIRM the Court of Appeals' Decision and Resolution.

SO ORDERED.

Velasco, Jr. (Chairperson), Peralta, and Jardeleza, JJ., concur.
Reyes, J., on leave.

October 20, 2016

NOTICE OF JUDGMENT

Sirs / Mesdames:

Please take notice that on September 28, 2016 a Decision, copy attached hereto, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on October 20, 2016 at 1:55 p.m.

Very truly yours,

(SGD)

WILFREDO V. LAPITAN

Division Clerk of Court

[1] Rollo, pp. 379-400; penned by Associate Justice Agnes Reyes-Carpio, and concurred in by Presiding Justice Andres B. Reyes, Jr. and Associate Justice Romeo F. Barza.

[2] Id. at 443-445.

[3] Id. at 258-280; penned by Presiding Judge Wilfredo T. Nieves.

[4] Rollo, pp. 277-278; as quoted in the RTC Decision.

[5] Id. at 383-384; CA Decision.

[6] Id. at 49-50.

[7] Id. at 62-68.

[8] Id. at 64-67.

[9] Id. at 50; Complaint.

[10] Id. at 55.

[11] Id at 280; RTC Decision.

[12] Id. at 276.

[13] Id. at 277.

[14] Id. at 279-280.

[15] Id. at 399-400; CA Decision.

[16] Id. at 393.

[17] Id. at 394.

[18] Id. at 395.

[19] Id. at 395-398.

[20] Dr. Edmyr Macabulos is the Community Coordinator of the Preventive and Community Medicine Program.

[21] Rollo, p. 24.

[22] Id. at 25.

[23] Id. at 29.

[24] Revised Rules of Civil Procedure, Rule 3, Sec. 7.

[25] See Revised Rules of Civil Procedure, Rule 3, Sec. 8.

[26] 282 Phil. 759, 764-765 (1992).

[27] Rollo, p. 518; DOJ Resolution dated January 9, 2012.

[28] Supra note 26 at 767.

[29] 736 Phil. 460, 474 (2014).

[30] 602 Phil. 858 (2009).

[31] Id. at 868-869.

[32] Rollo, p. 398.

[33] Id. at 24; Petition.

[34] Id.

[35] 576 Phil. 680, 689 (2008).

[36] Id.

[37] Gilat Satellite Networks, Ltd. v. UCPB General Insurance Co., Inc., G.R. No. 189563, April 7, 2014.

[38] Id.

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